

Worden/Ballantine Water & Sewer District
November 8, 2021 @ 7pm
Meeting Minutes

Opening/Roll Call: Board President, Dan Ewen called the meeting to order to 7:00pm, Board members attending: Dan Ewen, Judy Becker, Marc Larson, and Gary Fredericks; employees attending: Dan Krum, Sandy Kust and Joey Oltrogge; Public attending: Bob & Meri Lile, Keith Larson

Approval of October meeting minutes: Motion by Mr. Larson to approve the October meeting minutes as printed, 2nd by Ms. Becker, motion carried unanimously;

Delegations: Bob & Meri Lile attended the meeting to request a credit on their bill, as meters were estimated and they have been charged 9,378 gallons more than the actual usage. Bob provided documentation showing the overage charges. Mr. Krum recommended the bill be credited \$32.50.

Motion by Mr. Larson to credit the bill in the amount of \$32.50, 2nd by Mr. Fredericks, motion carried unanimously;

Correspondence: Keith Larson attended the meeting as wanted clarification for the charges on his bill. Mr. Larson was informed that he has 3 trailers on his property and is charged 1 base rate for water and 3 base rates for sewer. Sandy Kust asked if he would be interested in becoming a board member as the board needs 2 more board members, Mr. Larson stated he will think about it and will email a letter of interest if he decides too. Mr. Larson also asked about the rate increase and if he could have a copy of the current rates, Sandy will email Keith a copy of the rates. Mr. Fredericks stated the rate increase is needed to qualify for the loan for the project and if the rate increase was not implemented then this project would not be moving forward. Mr. Fredericks also stated the WBYC WSD Board held a public hearing on the rate increase and in addition to receiving a grant/loan package from USDA RD for new wells and hooking the wells into the distribution system, the District also received \$2.8 million in grant funds from Yellowstone County as well as another \$2 million in grant funds from ARPA funding, which will replace some old water main lines. Mr. Larson also asked about a project update, which was discussed later at the meeting in the Water Project listed below;

Bills: Mr. Fredericks asked about the bill to DIECO and what was this for, Dan Krum stated this bill was for sampling that David Iacopini did when Sandy was out of town. Dan Krum also stated the bill to Northwest Pipe is for \$4,106.62 not \$5,106.62 as he was able to negotiate this down as the training did not last as long as Northwest Pipe billed for, there is also an addition to the bills for \$65.60 to Northwest Pipe for a riser that was needed for a curb stop. Total bills to be paid for November is \$12,089.60;

Motion by Ms. Becker to pay the bills as presented, 2nd by Mr. Fredericks, motion carried unanimously; copy of bills is on record with the District files.

Operator/General Manager Reports: Sandy and Joey had to called outs, 1 for a power outage and the other was a water leak in a basement as well as continue to locate and mark valves, manholes, fire hydrants, and curbstops for the upcoming project survey which is needed for the design. They also met with MT DEQ for the Sanitary Survey, which went well and MT DEQ will be sending out a copy of the

survey and any recommendations they have on the water system. Sandy fixed the door at the lift station and continues to work with Engineers, attorney, and funding agencies on the water project. Sandy stated the training that needs to be set up with the operators and the Fire Department for turning on and off hydrants the correct way has not been set up but will try and get something set up before the end of the year. Mr. Krum continues to work with Sandy on the water project as well as doing his normal office work. Operator reports are on file with the District records;

Bookkeepers Report: Mr. Krum stated the net income for October is: \$15,046.98; net income for the year: \$155,390.75; total in checking account: \$176,273.73. Mr. Krum requested consent from the board to be able to have online access to the construction checking account as the other checking account is online, Marc Larson will get this set up for Dan Krum. Copy of the financial reports are on record with the District files.

Past Due Accounts: Dan is working with attorney on the 2 past due properties that need to be put on the taxes for non payment. Dan Krum will send out the delinquent letters by November 15, 2021 for turn off on November 29, 2021; 5 customers paid their past due accounts; 16 customers will be sent turn off letters; 3 customers called and made payment arrangements;

Water Project/SRF/USDA RD/Competitive Grant/ARPA Funding/Well Easements/Owner Agreements: Sandy stated the PWS 6 is still being reviewed by MTDEQ. The easements and landowner agreements for the wells on the Oltrogge and the buy/sell agreement with the Ewen property are completed and recorded with Yellowstone County. The District needs to negotiate another buy/sell agreement with Dan & Janet Ewen as one more well is needed and they have stated another well can go on their property.

Sandy stated the Site Title Opinion is in draft form and has been presented to Great West Engineering and then MTDEQ for approval, once approved he will finalize and submitted to MTDEQ. The Environmental Assessment is completed for all phases of the project and will be published twice in the Yellowstone County News for public comment. MTDEQ has given approval to go out for bid on the phase 1 of the project which is the Well Construction, however construction cannot start until Site Title Opinion is finalized. Sandy stated an updated budget will need to be sent to all funding agencies showing @ \$2.8 million in grant funds from County ARPA funds, 2.0 million in ARPA grant funds, 2.1 million in USDA RD grant funds, \$2.6 million in USDA RD loan funds, and \$104,000 in local match funds and all project contingency must be showing funds from County ARPA, we are still waiting on the Memorandum of Understanding between Yellowstone County and WBYC WSD which Yellowstone County will prepare and submit to the District for review before signing. Sandy stated Dorsey and Whitney (Bond Attorney) will wait to prepare the preliminary transcript until the wells are completed as the design is contingent upon the wells being successful. Sandy stated the board needs to make a motion for Great West Engineering to prepare bid documents for the project to go out for bid. The project will go out for bid on November 26th, with the bid opening to be held at the office of Great West Engineering on December 16th @ 2pm.

Go out for bid on project: Motion by Mr. Fredericks to have Great West Engineering prepare and move forward with the bidding process for Phase 1 of the Water Project, 2nd by Mr. Larson, motion carried unanimously. Sandy will get with Great West Engineering and make sure legal for the Environmental Assessment and the Phase 1 bidding documents are published in the Yellowstone County News;

Crystal Bennett, Great West Engineering, stated the subdivision review application on the Oltrogge site is completed and has been approved by DEQ and waiting on approval from DEQ

Crystal Bennett continues to prepare a memorandum for the District to provide the District with pertinent project information as well as identify action items that are needed for both Great West and District. The memorandum includes Phase 1: Well Construction; Phase 2: Connect Wells to Distribution System; Phase 3: Railroad and Highway Crossing; Phase 4: Tank Coating, Transmission Main, and Water Line extension on Road 15; Phase 5: Distribution System Improvements and a Summary of Project Financing. The most important item to be completed is the finalized Site Title Opinion. The Certificate of Survey will be started once the test well is completed on the Ewen property. The test well has not been completed due to the well driller having health issues. The memorandum is on record with the District files.

Crystal stated the District should receive the letter committing the ARPA funding from both pot B and C sometime in November, 2021 as the committee has not yet approved start up conditions.

Drawdowns: Drawdown #4 was presented; total amount of drawdown is \$6,720.00 which is all for engineering fees; motion by Mr. Fredericks to approve drawdown #4 in the amount of \$6,720.00, 2nd by Ms. Becker, motion carried unanimously; copy of approved drawdown #4 on record with the District files.

ARPA Funding: Both the ARPA competitive grant and ARPA HB632 grants have been awarded and once the District completes the start up conditions, we can start using the ARPA funding from both pot B in the amount of \$2,800,000 and pot C in the amount of \$2,000,000 sometime in December, 2021;

New Board Member: The District board continues to put the word out that 2 board positions are open and need to be filled, however as of this meeting Keith Larson has stated he will submit a letter of interest;

Review rules and regulations: Dan Krum is working with the Districts attorney and insurance company on the questions regarding the meter and horn. Mr. Fredericks stated he will put together definitions and send them out to Dan Krum and Sandy for review and then board members can review the revised definitions at the meeting. Mr. Fredericks stated the entire policy needs to be reviewed but it needs to be completed a little at a time and the 1st step needs to be revising the definitions. This has become a priority due to the leak that a customer had and policy needs to clarify what is the customers responsibility and what is the District responsibility. Dan Krum will also send information to board members once he receives something from the insurance company.

Next meeting will be December 13, 2021 @ 7pm

Meeting adjourned at 8:08pm